

**CITY COUNCIL**

CITY AND COUNTY OF HONOLULU

RR-121

CD-1

RESOLUTION

ESTABLISHING A POSITION OF THE COUNCIL OF THE CITY AND COUNTY OF HONOLULU FOR THE VALUATION OF HOUSING FINANCE AND DEVELOPMENT CORPORATION PROPERTIES FOR THE PURPOSES OF REAL PROPERTY TAX ASSESSMENTS.

WHEREAS, Hawaii County Councilmember Merle K. Lai, via correspondence dated January 20, 1987, to the Chair of the Real Property Tax (RPT) Committee of the Hawaii State Association of Counties, noted that the counties differ in their methods of assessing Hawaii Housing Authority properties; and

WHEREAS, Councilmember Lai further asked that the HSAC-RPT Committee review this matter in light of the State Constitutional mandate that there be statewide uniformity in the method of real property valuation for the purposes of real property tax assessments; and

WHEREAS, at its February 25, 1988 meeting, the HSAC-RPT Committee requested each County Council to review and establish a county position, by resolution, regarding the assessment of Hawaii Housing Authority properties; and

WHEREAS, the Hawaii Housing Authority has essentially been redesignated the Housing Finance and Development Corporation; and

WHEREAS, the Director of Finance of the City and County of Honolulu has informed the Council that the Finance Department's policy has been to take into account any buy-back or other restrictions upon the interest of the purchaser or lessee when assessing leasehold and fee simple properties sold by the Housing Finance and Development Corporation; and

WHEREAS, the Director of Finance has informed the Council that the Department of Finance has implemented this policy by assessing properties, both leasehold and fee simple, at the original selling price, during the period that the buy-back encumbrance remains in effect; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the position of the Council regarding any amendment to the Revised Ordinances of Honolulu to provide for uniform valuation of Housing Finance and Development Corporation properties for real property assessment purposes shall be guided by the following policy:

RESOLUTION

Real property tax assessment of Housing Finance and Development Corporation (HFDC) properties which are sold or leased to homeowners shall take into consideration the encumbrances placed by the HFDC upon the properties. In particular, the assessed value of HFDC properties sold subject to a buy-back provision shall be the original sales price of the fee simple or leasehold properties during the period of the buy-back provision, subject to adjustment to take into account improvements or major damage to the property;

and

BE IT FINALLY RESOLVED by the Council of the City and County of Honolulu that the Clerk be, and he is hereby authorized to transmit copies of this Resolution to Councilmember Stephen Yamashiro, Chair of the HSAC Real Property Tax Committee; Ms. Linda Smith, City Director of Finance; and the Housing Finance and Development Corporation.

INTRODUCED BY

[Signature]

DATE OF INTRODUCTION:

March 28, 1988

Honolulu, Hawaii

Councilmembers

(OCS/050488/ec)

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CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

I hereby certify that the foregoing RESOLUTION was adopted by the COUNCIL OF THE CITY AND COUNTY OF HONOLULU on the date and by the vote indicated to the right.

ATTEST

[Signature]
RAYMOND K. PUA
CITY CLERK

[Signature]
ARNOLD MORGADO, JR.
CHAIRMAN AND PRESIDING OFFICER

Dated MAY 1 1 1988

ADOPTED MEETING HELD			
MAY 1 1 1988			
	AYE	NO	A/E
BORNHORSI			
DEBOTO			
DOO			
GALL			
HWASE			
KIM			X
O'CONNOR			
MORGADO			
8 0 1			

Reference:

Report No.

Resolution No.

88-123

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